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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

SEC FILE NUMBER
8-44695

**FACING PAGE**

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/2018 AND ENDING 12/31/2018  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: INVEX, LLC.

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

2 Alhambra Plaza, Suite PH 2

(No. and Street)

Coral Gables

Florida

33134

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Gerardo Reyes Retana

(786) 425-1717

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Morrison, Brown, Argiz & Farra LLC.

(Name - if individual, state last, first, middle name)

1450 Brickell Avenue, 18th Floor Miami

Florida

33131

(Address)

(City)

(State)

SEC Mail Processing

**CHECK ONE:**



Certified Public Accountant



Public Accountant



Accountant not resident in United States or any of its possessions.

MAR 01 2019

Washington, DC

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (11-05)

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**INVEX, LLC**

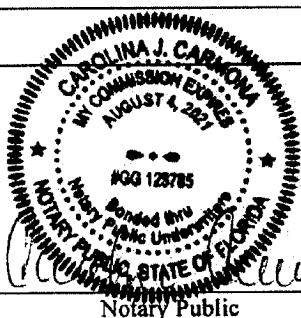
**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2018**

**(WITH REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM)**

## OATH OR AFFIRMATION

I, Gerardo Reyes Retana, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of INVEX, LLC., as of December 31, 2018, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



[Signature]  
Signature  
\_\_\_\_\_  
President  
\_\_\_\_\_  
Title

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**INVEX, LLC  
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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Member  
of Invex, LLC

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Invex, LLC (the "Company") as of December 31, 2018 and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of Invex, LLC as of December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

This financial statement is the responsibility of Invex, LLC's management. Our responsibility is to express an opinion on Invex, LLC's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Invex, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

*Morrison, Brown, Argiz & Farra*

We have served as Invex, LLC's auditor since 2016.

Miami, Florida  
February 26, 2019

An independent member of Baker Tilly International

**INVEX, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

**ASSETS**

Cash and Cash Equivalents	\$ 350,619
Deposits with Clearing Broker	257,476
Due from Related Parties	1,187,809
Securities Owned- at Fair Value	7,865,243
Receivables from Clearing Brokers	6,513,873
Prepaid and Other Assets	74,276
Furniture and Equipment - Net of Accumulated Depreciation of \$295,955	194,294

**TOTAL ASSETS**


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**\$ 16,443,590**

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**LIABILITIES AND MEMBER'S EQUITY**

Accounts Payable and Accrued Expenses	486,534
Deferred Rent	234,525
Due to Related Parties	181,032

**TOTAL LIABILITIES**


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902,091

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**COMMITMENTS AND CONTINGENCIES**

-

**MEMBER'S EQUITY**

15,541,499

**TOTAL LIABILITIES AND MEMBER'S EQUITY**


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**\$ 16,443,590**

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The accompanying notes are an integral part of these financial statements

**INVEX, LLC**  
**NOTES TO THE STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

**NOTE A - ORGANIZATION**

Invex, LLC, (the "Company"), a Delaware corporation, was incorporated on January 30, 1992, and received its broker/dealer registration from the Securities and Exchange Commission (the "SEC") on March 24, 1992. Invex, LLC is a wholly owned subsidiary of Invex Holdings, Inc. ("Holdings") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA").

Invex Controladora, S.A.B. de C.V., the foreign parent of Invex Holdings, Inc., is the holding company of a Mexican-based financial group (the "Group"). The Group's business activities include broker/dealer activities, underwriting, and proprietary trading in Mexican securities. Invex, LLC is a FINRA-registered securities broker/dealer offering brokerage services to the clientele of the Group as well as executing proprietary trading for Invex, LLC. The majority of the Company's revenue relates to commissions and markups attributable to customer transactions.

**NOTE B - SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying financial statements are prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

**Cash and Cash Equivalents**

Cash and cash equivalents include cash on deposit at banks and depository institutions. The Company considers all highly liquid investments (including money market funds) with maturities at time of purchase of three months or less, that are not held for sale in the ordinary course of business, to be cash equivalents. At times, such balances may exceed federally-insured limits per financial institution. The Company has experienced no losses in connection with such balances over FDIC insured amounts of \$250,000 and none are expected.

**Receivables from Clearing Brokers**

Receivables from clearing brokers represent cash held on account available for future trades.

**Other Receivables**

Other receivables consist primarily of interest and commissions earned during the year but not received as of year-end. Receivables are recorded only when substantial evidential matter is obtained as to the validity of the receivable. As collection of receivables has historically been consistent and timely, management has determined collectability is reasonably assured. As such, the Company does not record an allowance for doubtful accounts or maintain a policy for determining reserves for past due or delinquent receivables. Other Receivables are included in Prepaids and Other Assets on the Statement of Financial Condition.

**INVEX, LLC**  
**NOTES TO THE STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

**NOTE B - SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Furniture and Equipment**

Furniture and equipment are stated at cost, net of accumulated depreciation. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets which range from three to five years.

**Securities Transactions**

Securities owned inventory is carried at fair value, which is estimated based on quoted market prices for those or similar instruments (see Note C).

**Deferred rent**

Minimum rent, including fixed escalations and rent allowances, is recorded on a straight-line basis over the lease term. The lease term commences when the Company takes possession of the leased premises. When the lease provides for fixed escalations of the minimum rental payments during the lease term, the difference between the recorded straight-line rent and the amount payable under the lease is recognized as deferred rent obligation. Deferred rent obligation as of December 31, 2018 amounted to approximately \$235,000.

**Income Taxes**

The Company is treated as a partnership for federal income tax purposes and, accordingly, generally would not incur income taxes or have any unrecognized tax benefits. Instead, its earnings and losses are included in the tax return of its members and taxed depending on the members' tax situation. As a result, the financial statements do not reflect a provision for income taxes. The Company recognizes and measures tax positions taken or expected to be taken in its tax return based on their technical merit and assesses the likelihood that the positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. Interest and penalties on tax liabilities, if any, would be recorded in interest expense and other non-interest expense, respectively. The U.S. Federal jurisdiction and Florida are the major tax jurisdictions where the Company files income tax returns. The Company is generally no longer subject to U.S. Federal or State examinations by tax authorities for years before 2015.

**Foreign Currency**

Certain customer investment trades are executed utilizing foreign currency. Investments denominated in foreign currencies are translated into U.S. Dollar amounts at the date of valuation. Purchases and sales of investments denominated in foreign currencies are translated into U.S. Dollar amount on the respective dates of such transactions. Reported net realized foreign exchange gains or losses arise from sales of investments, sale of foreign currencies and currency gains or losses realized between trade and settlement dates. The gains and losses are included as a component of the commission on the investment transaction.



**INVEX, LLC**  
**NOTES TO THE STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

**NOTE B - SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Use of Estimates and Assumptions**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts in the financial statements. Such estimates include the fair value of securities and other financial instruments, allowance for doubtful accounts, accruals for liabilities, valuation allowance for deferred tax assets, revenue and expense accruals, and other matters, including a disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Recently Issued Accounting Pronouncements**

In February 2016, the FASB issued an accounting standard update which amends existing lease guidance. The update requires lessees to recognize a right-of-use asset and related lease liability for many operating leases now currently off-balance sheet under current US GAAP. Also, the FASB has issued amendments to the update with practical expedients related to land easements and lessor accounting. The Company is currently evaluating the effect the update will have on its financial statements.

**NOTE C – SECURITIES OWNED AND SECURITIES SOLD NOT YET PURCHASED**

**Securities Owned And Securities Sold Not Yet Purchased – At Fair Value**

The components of securities owned and securities sold, not yet purchased- at fair value at December 31, 2018 are as follows:

	2018	
	Owne	Sold, Not Yet Purchased
Foreign debt instruments	\$ 2,881,052	\$ -
Domestic debt instruments	50,275	\$ -
Marketable Equities	2,680,761	-
U.S. Treasury Bill	145,155	-
Foreign mutual fund	2,108,000	-
	<u>\$ 7,865,243</u>	<u>\$ -</u>

In 2015 the Company purchased \$2,000,000 worth of shares of a Mutual Fund titled Invex Global Opportunities Fund. This mutual fund is managed by Invex Advisors, LLC, a wholly owned subsidiary of Invex Holdings, Inc. The Mutual Fund is included in the Securities Owned – at Fair Value amount in the Statement of Financial Condition.

**INVEX, LLC**  
**NOTES TO THE STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

**NOTE C – SECURITIES OWNED AND SECURITIES SOLD NOT YET PURCHASED - CONTINUED**

**Securities Owned – Equity Method**

Prior to 2018, the Company had an investment in Bulltick Capital Markets, LP which was accounted for as an equity method investment. Effective December 31, 2018, the Company distributed its ownership interest in Bulltick to the Parent at book value of \$1,115,078.

**NOTE D – ACCOUNTS PAYABLE AND ACCRUED EXPENSES**

The following is a summary of all accounts payable and accrued expenses as of December 31, 2018:

Accounts Payable - Vendors	\$ 25,417
Bonus Payable	420,000
Accrued Expenses	41,117
	<u>\$ 486,534</u>

**NOTE E – TRANSACTION WITH CLEARING BROKERS**

The Company clears its U.S. securities transactions and customers' transactions on a fully disclosed basis through nonaffiliated clearing brokers.

**NOTE F – RESERVE REQUIREMENTS AND INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS FOR BROKERS AND DEALERS**

The Company is exempt from the provisions of Rule 15c3-3 (pursuant to paragraph (k)(2)(ii) of such rule) of the Securities Exchange Act of 1934 as an introducing broker or dealer that carries no customers' accounts, promptly transmits all customer funds and delivers all customer securities received to the clearing broker and does not otherwise hold funds or securities of customers or dealers. Because of such exemption, the Company is not required to prepare a determination of reserve requirement and the Company is not subject to the provisions of Rule 15c3-3 pertaining to the possession or control requirements for broker dealers.

**INVEX, LLC**  
**NOTES TO THE STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

**NOTE G - OFF-BALANCE-SHEET RISK AND CONCENTRATION OF CREDIT RISK**

In the normal course of business, the Company's securities transactions involve executions and settlements of various securities transactions as principal. These activities may expose the Company to risk in the event that counterparties are unable to fulfill contractual obligations.

The Company has agreed to indemnify its clearing broker for losses that the clearing broker may sustain from the customer accounts introduced by the Company. The introduced customers are generally institutional or high-net-worth retail customers.

The Company's policy is to take possession of securities purchased under agreements to resell. The Company monitors the market value of the assets acquired to ensure their adequacy as compared to the amount at which the securities will be subsequently resold, as specified in the respective agreements. The agreements provide that, where appropriate, the Company may require the delivery of additional collateral.

**NOTE H - RELATED-PARTY TRANSACTIONS**

As of December 31, 2018, \$181,032 was outstanding and payable to the Parent. There were no other amounts due to the Parent.

The Company has approximately \$16,977 of receivables at December 31, 2018 from employees related to personal expenses. The Company had a note receivable due from an employee in the amount of \$37,635 as of December 31, 2018. The note is unsecured and was issued on April 15, 2012 with a principal balance of \$71,133 and a maturity of April 15, 2020. Such related party note and a \$1,133,197 receivable due from affiliated entities are included in due from related parties in the accompanying Statement of Financial Condition.

Invex, LLC and Invex Advisors, LLC, subsidiaries of Invex Holdings, Inc., executed an intercompany expense-sharing agreement which took full force and effect on March 1, 2017. Based on the agreement, Invex Advisors, LLC will make quarterly payments to Invex, LLC for its share of the operating costs relating to personnel and administrative services as well as reimbursement of certain other office expenses incurred by Invex LLC on behalf of Invex Advisors. As of December 31, 2018, \$862,420 was due and outstanding from Invex Advisors, LLC for the 2018 shared expenses. The corresponding receivable due from Invex Advisors, LLC is recorded in the accompanying Statement of Financial Condition as a due from related parties.

**INVEX, LLC**  
**NOTES TO THE STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

**NOTE I - ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS**

The Company defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Company uses various approaches. The Company uses an established fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs reflect the Company's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

- Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.
- Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for securities categorized in Level 3. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined by the lowest level input that is significant to the fair value measurement. Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Company's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date.

**INVEX, LLC**  
**NOTES TO THE STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

**NOTE I - ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS - CONTINUED**

The Company uses prices and inputs that are current as of the measurement date, including during periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

- **Equities** - The Company values investments in securities and securities sold, but not yet purchased that are freely tradable and are listed on a national securities exchange or reported on the NASDAQ national market at their last sales price as of the last business day of the year.
- **Foreign and Domestic Debt Instruments** - The Company may hold both domestic and foreign corporate bonds. The fair value of these bonds is estimated using recently executed transactions, market price quotations (where observable), and bond spreads. The spread data used are for the same maturity as the bond. If the spread data does not reference the issuer, then data that references a comparable issuer is used. When observable price quotations are not available, fair value is determined based on cash flow models with yield curves, bond, or recovery rates based on collateral values as key inputs. Corporate bonds are generally categorized in Level 2 of the fair value hierarchy. In instances where significant inputs are unobservable, they are categorized in Level 3 of the hierarchy.
- **Listed Derivative Contracts** – Listed derivatives that are actively traded are valued based on quoted prices from the exchange and are categorized in level 1 of the fair value hierarchy. Listed derivatives that are not actively traded are valued using the same approaches as those applied to OTC derivatives; they are generally categorized in level 2 of the fair value hierarchy.
- **Foreign Mutual Funds** – The Company may own both domestic and foreign Mutual funds. Mutual funds are valued at the net asset value (“NAV”) of shares held by the plan at year end.
- **U.S. Treasury Bills** – The Company may own U.S. Treasury Bills. Treasury Bills are highly liquid and readily marketable securities. The Company values U.S. Treasury Bills at the daily value posted on Bloomberg by the U.S. Treasury Department.

**INVEX, LLC**  
**NOTES TO THE STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

**NOTE I - ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS - CONTINUED**

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value as of December 31, 2018:

<b>Financial Assets and Liabilities at Fair Value</b>				
<b>As of December 31, 2018</b>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>ASSETS</b>				
Financial instruments owned:				
U.S. Treasury Bill	\$ 145,155	\$ -	\$ -	\$ 145,155
Marketable Equities	-	2,680,761	-	2,680,761
Domestic Debt Instruments	-	50,275	-	50,275
Foreign Debt Instruments	-	2,881,052	-	2,881,052
Foreign Mutual Fund (1)	-	-	-	2,108,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,108,000</u>
Totals	<u>\$ 145,155</u>	<u>\$ 5,612,088</u>	<u>\$ -</u>	<u>\$ 7,865,243</u>

(1) In accordance with the fair value measurements and disclosures guidance, certain investments that measured at fair value using the net asset value practical expedient have not been classified in the fair value hierarchy. As of December 31, 2018, the Company did not have any unfunded commitments to this foreign mutual fund.

**NOTE J - FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE**

Some of the Company's financial instruments are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and financial liabilities include: cash and cash equivalents, cash deposited with the clearing broker, receivables - brokers, dealers, and clearing organization.

**NOTE K - SUBSEQUENT EVENTS**

The Company evaluated subsequent events and transactions that occurred subsequent to December 31, 2018, through the date the financial statements were available to be issued, for potential recognition or disclosure in the accompanying financial statements. The Company didn't identify any subsequent events that would require recognition or disclosure in the financial statements.